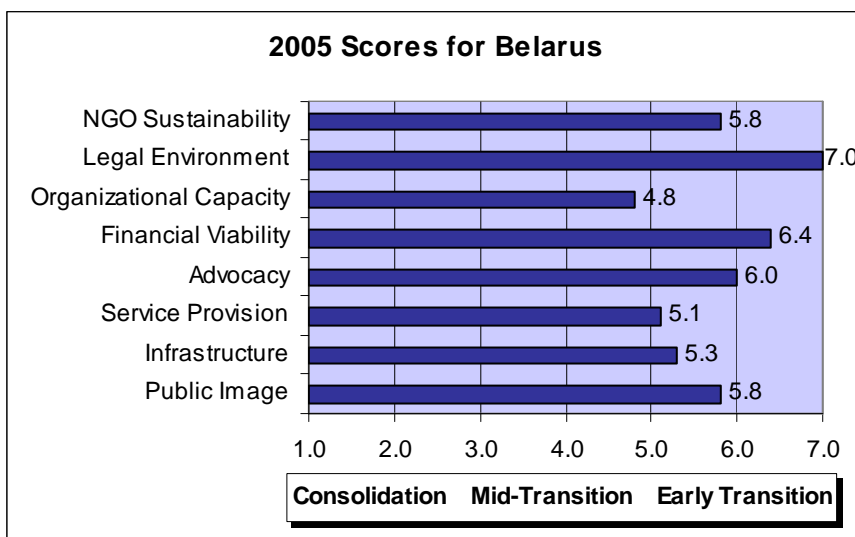


Belarus



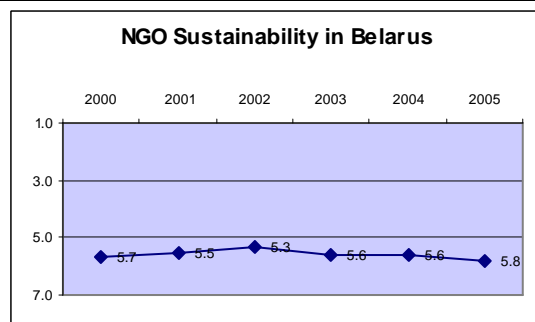
Capital: Minsk

Polity: Presidential

Population:
10,293,000

**GDP per capita
(PPP):** \$7,700

NGO SUSTAINABILITY: 5.8



Over the past year, the NGO Sustainability score dropped to its lowest point since 2000, with declines in every dimension except for advocacy. The legal environment deteriorated due to the adoption of new laws and regulations and the administration's harassment of independent NGOs. This government

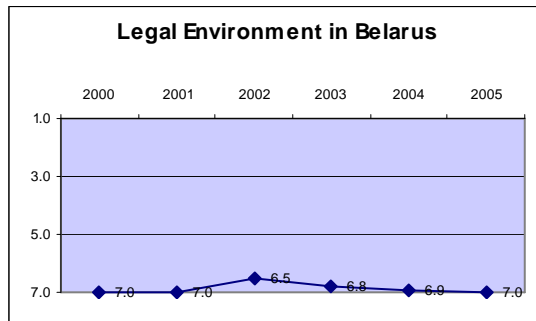
regulation has had a negative impact on most of the other dimensions. NGO cooperation with the government or business sectors is rare and ineffective. Domestic funding is scarce, and though the primary source of funding is the international donor community, restrictive laws make it difficult to obtain foreign funding. While traditional organizations struggle to survive and deal with various administrative issues, quasi-NGOs and GONGOs enjoy preferential treatment and government support. State propaganda and the lack of independent media prevent Belarusian society from gaining an understanding the role of democratic institutions. In July 2005, the Ministry of Justice press office reported that 2,280 NGOs and 17 unions were registered in Belarus.

LEGAL ENVIRONMENT: 7.0

In 2005, the legal environment governing NGOs became even more restrictive. The new Government adopted the Law on Public Associations, which permits government officials to suspend an organization's activities for six months and liquidate its assets for a single violation of the Law on Public Mass Events or the "illegal" use of foreign aid. The law requires NGOs to file reports on their

members and activities. It also grants formal authority to the National Commission on Registration of NGOs, which has been operating de facto since 1999. The commission is comprised of presidential appointees and is not accountable to the public. The law permits organizations to engage in economic activities to pursue their goals, but they have to create separate commercial entities to do so. This

forces NGOs into a business marketplace where the regulations, principles and roles are significantly different from those in the not-for-profit sector. Most NGOs lack the capacity and resources to start and operate a business in what has become one of the harshest business environments in the region. In addition, organizations lose their tax benefits by engaging in economic activities.



On September 13, 2005, the Ministry of Justice issued Resolution #49 “On Some Aspects of the Creation of Public

Associations and their Unions” requiring that all civic initiatives, coalitions, and movements be formally registered. Presidential Edict #320 “On Establishment, Activity, and Liquidation of Foundations” came into effect on September 1, 2005 increasing registration fees and ordering foundations to bring their charters in line with the new regulations by May 2006. Presidential Edict #382 of August 17, 2005 amended Edict #460 “On International Technical Assistance to the Republic of Belarus.” Now all events, such as conferences, seminars, and public debates that are organized using donor funding must be registered; the registration process is vague, lengthy and subjective. Edict #382 also forbids; 1) the use of technical assistance for conducting elections and referenda; 2) recalling deputies and members of the Council of the Republic; 3) staging gatherings, rallies, street marches, demonstrations, picketing, or strikes; and 4) producing and distributing political campaign materials. Presidential Edict #300 of July 1, 2005 “On Provision and Use of Gratuitous Sponsorship Aid” bans all support for “anti-Constitutional” goals, and stipulates reporting

requirements for providing and using domestic financial support.

All activities conducted by unregistered organizations and initiatives are illegal. While the law creates a registration process, it is cumbersome and expensive, and can be difficult and almost impossible to complete. Reasons for denying registration are often arbitrary and in some cases, NGOs have waited for three years without being approved or denied. In 2005, authorities continued to close organizations based out of residential buildings; it is extremely difficult to find other legal addresses as businesses and state institutions will not accommodate NGOs. Rent is prohibitively high for most organizations and even mature organizations have been forced to close some of their regional branches.

The judiciary does not stop the government from interfering with an organization’s internal affairs, even when the government is in violation of the law. The State interferes with an organization’s freedoms in numerous ways. NGOs are forced to spend a great deal of time corresponding with government officials, which could be better spent serving constituents. The government also harasses “unreliable” NGOs and imposes fines on organizations and their members, conducts tax inspections, denies them office space, orders visits from the KGB, and intimidates their constituents. On some occasions, after meeting with foreign diplomats, NGOs have been interrogated by the KGB. Firemen, plumbers, or policemen can break into meetings, and policemen may inspect passports and take participants into custody for questioning. Government institutions maintain a list of organizations that are acceptable partners, and a blacklist of those that are not.

NGOs have access to quality legal services in the capital; although the number of lawyers specialized in NGO law is small. Attorneys from the Collegium of Lawyers, the local Bar Association, lack training in NGO law and are unable to provide services to NGOs. Organizations in the regions do not have access to adequate legal services.

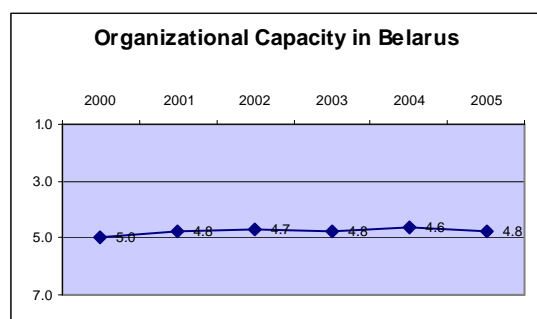
The legislation envisages certain tax benefits to NGOs but they are generally of little benefit. The government taxes grants and payroll, which undermines NGO sustainability, and the government often refuses to register grants from foreign donors. Some organizations have been ordered to pay taxes on past projects. The Belarus Helsinki Committee endured a long judicial process in order to avoid paying taxes

on a grant from TACIS and, even after rulings by higher courts, the government has attempted to force the issue.

While an NGO has the right to bid for government contracts, it is not realistic to expect that it will be awarded one. Government contracts are reserved for pro-government organizations.

ORGANIZATIONAL CAPACITY: 4.8

The legal environment has affected the organizational capacity of NGOs, as many organizations struggle just to survive. Constituency building is not a high priority, and is hindered by several factors. Organizations do not have long-term projects and are generally dependent on external funding. In addition, few NGOs are able to conduct appropriate assessments to better understand the needs of their constituencies. Exceptions do exist as some well-developed organizations realize the importance of constituency building and identify their clientele. Registered NGOs have a greater ability to reach out to their constituencies than unregistered organizations, which face legal barriers that interfere with constituency building. In contrast to member-based organizations, infrastructure organizations that have long-term service-provision projects have well-defined constituencies. The NGO Assembly has taken the lead in promoting research. Many NGO experts question whether constituency building in crisis-countries like Belarus is even necessary.



Almost all organizations have knowledge concerning strategic planning, and most also have defined missions that they are willing to share with other organizations. Both strategic

planning and the formulation of mission statements are promoted by competition for donor funding. Many organizations will be unable to fulfill their missions in the short-term. Strategic planning is often the result of international assistance programs by USAID, ABA/CEELI, Counterpart International, Forum SYD, the German Support Program for Belarus, and others. For some NGOs, strategic planning has become a part of their organizational culture. Outside of the capital however, many organizations are unaccustomed to strategic planning. Many organizations argue that strategic planning does not promote sustainability, and that short-term planning allows them to adjust to their ever-changing environment.

A growing number of organizations understand the importance of clearly defining the different responsibilities of their executive and governing bodies. Many organizations, however, are unable to afford to pay executives and lack volunteers, requiring governing bodies to fulfill the executive role as well. NGO leaders are liable for the actions of their organizations. This situation creates a conflict between the organization's transparency and the individual security of the NGO leader, and a disincentive for sharing reports.

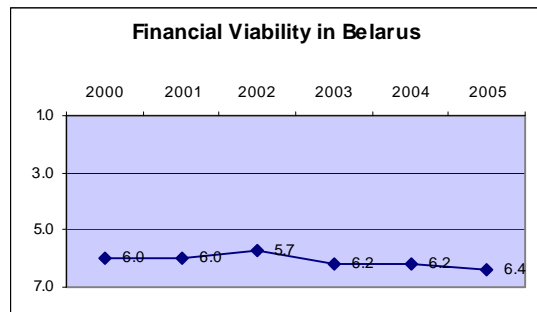
Few organizations have a permanent staff as most employees are hired only for specific projects and work without a contract, an official income, pension, or other benefits. Numerous organizations still have volunteers, but they are not used to their greatest potential. Rates of volunteerism are declining due to the sector's negative image and the discrediting of volunteerism. Some organizations have

volunteer training programs and work to make full use of volunteers as a permanent resource.

The U.S. government's IATP program offers the public free computer training, as well as access to internet and personal computers at IATP

FINANCIAL VIABILITY: 6.4

Application of donor assistance regulations and the general deterioration of the environment in which NGOs operate have adversely affected the financial viability of NGOs. Local philanthropy offers minimal support to NGOs. An organization's members and staff provide the majority of local support. Individuals who make donations run the risk that they will be audited by the tax authorities, who may examine their income and expenses and determine whether they could afford to make donations. Local charity does not exist and businesses come under scrutiny for making donations. The new laws also create restrictions that limit support from business enterprises. In-kind support is limited to volunteerism.



Organizations realize that foreign funding is not very reliable, as donor priorities and policies change. Many organizations would diversify their donor sources, but the restrictive laws limit the number of donors that are able to work in Belarus. The reduction of foreign funding has forced NGOs to seek out local support, though legal barriers make it almost impossible to obtain support domestically.

ADVOCACY: 6.0

Channels for cooperating with government institutions are limited. On occasion, organizations are able to find mid-level officials and local governments that will cooperate,

sites. Many organizations have necessary equipment and access to the internet, which is especially important in the provinces. Organizations that operate without foreign grants often have outdated technology.

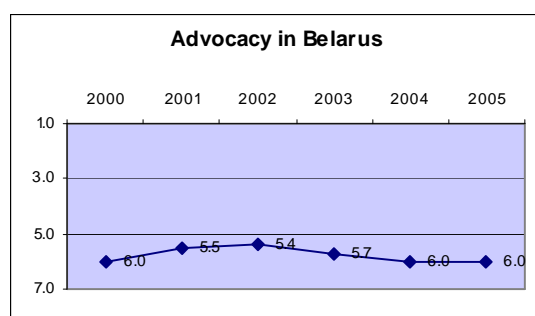
Membership fees and other contributions comprise a small portion of an organization's budget. NGOs generally lack the funding to engage in new activities or projects and therefore do not recruit new members; in addition, few people are able to afford the membership fees required to join. In theory, organizations are able to receive government contracts or engage in economic activities by creating commercial enterprises, though in reality, these are not viable options. The state does continue to provide substantial support to quasi-NGOs and GONGOs.

The law does not promote philanthropy and benefactors often prefer that their support not be made public. Some examples of local philanthropy include clothes and toy drives on Christmas Eve and on the Day of the Child. Some regional organizations with no donor funding manage to find assistance from local authorities, though usually such support is a one-time event.

Due to the increasingly hostile environment, organizations often lack transparency and only allow donors and paying members to access information. Similarly, NGOs generally do not distribute or publish detailed activity reports on the internet. At times donors and the state are requesting independent financial audits. While the State requires that organizations keep their books in order, accountants are generally hired only on a part-time basis, and the reports they produce and submit to donors are less than professional. Many organizations do not conduct financial planning or analysis.

generally when it is advantageous for the official involved. In a few instances, organizations have been able to collaborate with officials at the national level of government. In one example,

NGOs and the state collaborated on the National Sustainable Strategy Development. Such examples are rare and no mechanism exists to organize discussions that might lead to systemic changes. Similarly, the government is not obligated to include NGOs in any decision-making processes. Donors may request that organizations be included during implementation of international technical assistance projects. Even in these limited examples, NGOs have no real means of influencing policy or securing representation in the discussions.



Despite the lack of cooperation, partnership is still possible on issues such as social transition, the environment, prevention of human trafficking, and eco-tourism, which are all priorities for the state. The government has joined NGOs in roundtable discussions on anti-trafficking and eco-tourism in both the Capital and the regions. In another example of cooperation, the Commercial Lawyers Association and the Ministry of Justice partnered to draft professional licensing standards for commercial lawyers. The Aarhus Convention requires that the Ministry of Natural Resources and Environmental Protection allow community participation on environmental issues. The Ministry has created a public council whose members may not vote but can influence decision-making.

Coalition-building grew over the past year. RADA, a council of youth organizations, revived and developed new approaches to youth policy. The Women's Independent Democratic Movement worked with other organizations on proposals for the national gender plan and

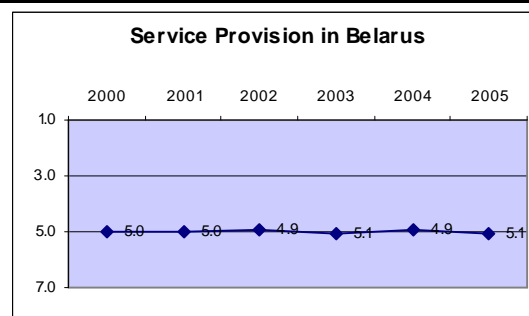
created a coalition of women-entrepreneurs. The United Nations Education, Science and Cultural Organizations (UNESCO) has been advocating for an ombudsman for children. Members of the NGO Assembly continued the "Our Solidarity" self-defense campaign. In addition, representatives from NGOs and trade unions developed partnerships to complete numerous short-term contracts. For example, local NGOs analyzed the impact of the new mandatory short-term employment contracts on employee rights, and conducted a legal education campaign that included publishing pamphlets and holding seminars. As a result, numerous lawsuits filed against employers for violation of labor rights were successful. In the spring of 2005, entrepreneurs went on strike over the VAT requirements. The strike resonated with many across the country. In addition, several organizations formed a coalition to influence the future strategies of the political parties, but had little success in changing their policies.

NGOs have not had much success in lobbying, and opportunities for influencing legislation have become even scarcer. Some professional organizations, such as business associations, work with different government commissions in drafting legislation, which infrequently materialize as improved laws. The NGO Assembly led a large campaign to lobby for changes to the Law on NGOs, and even turned to the Constitutional Court, members of Parliament, and the Parliamentary Commissions. The campaign failed to achieve its goals and the legislature reacted harshly; as a result, many organizations became disheartened. General principles of lobbying and campaigning do not work in Belarus, in part because the judicial system is paralyzed and Parliamentarians are dependent on the President and his administration. Increasingly, members of the NGO community understand the components of a strong piece of legislation, though they spend more of their energy adjusting to new laws than advocating for changes in legislation. NGO leaders fear that government officials will not make any positive changes.

SERVICE PROVISION: 5.1

The market for NGO services is underdeveloped. The variety of goods and services offered by NGOs is unstable and decreasing, in part due to the lack of cooperation on behalf of the state. Government officials do appreciate some social initiatives, such as hospice.

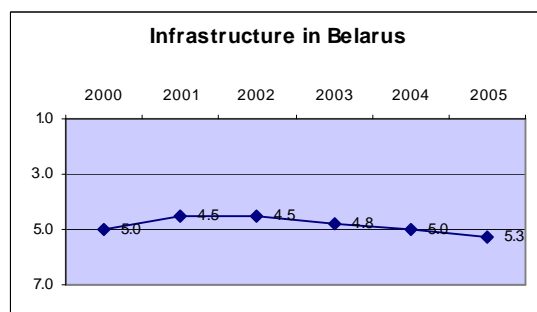
Few organizations conduct assessments to understand the needs of their communities. Some conduct market research, but always to only ensure that they are in line with their donor's priorities. At times, the need for services is identified by an organization's membership. International organizations collaborating with the government try to ensure that NGOs are able to participate in designing and implementing projects. While numerous organizations are able to provide quality services, the government often does not recognize their right to do so. NGOs, for example, are not always able to advertise. Organizations provide goods and services to other organizations, government institutions, and other sectors, but do so informally and on a small scale. Oftentimes, they do not receive credit for their efforts.



Generally, the only organizations that recover their costs are those that participate in international programs, provide training, produce publications and other materials for a fee, or collect membership fees. Recovering costs has become extremely difficult now that organizations are no longer permitted to sell their services directly. Some organizations do not even know how to price their products.

Generally, NGOs are not adequately recognized at the national level, and only rarely are they recognized at the local level. Organizations that serve more vulnerable populations are at times recognized by the state. In one example, state officials recognized those organizations that offer employment programs and provide professional skills training for the disabled.

INFRASTRUCTURE: 5.3



Over the past year, resource centers have either reduced their activities and are unable to satisfy the demand for services, or closed altogether. The Belarusian Association of Resource Centers (BARC) remains active, though it has become politicized. Alternative

networks do not exist and access to resource centers in the regions is more difficult than in the capital. Information concerning services is not transparent and services are available to only a limited group of organizations. Numerous organizations have responded by providing basic services to others.

A small number of organizations have projects that allow them to offer sub-contracts or grants. Such funding is generally for one specific event and not for long-term projects. The process for procuring such opportunities lacks transparency, and the process for selecting grantees is often unclear.

NGOs continue to exchange information and some have taken the lead in networking, disseminating information via email, and creating thematic groups. Many organizations do have websites.

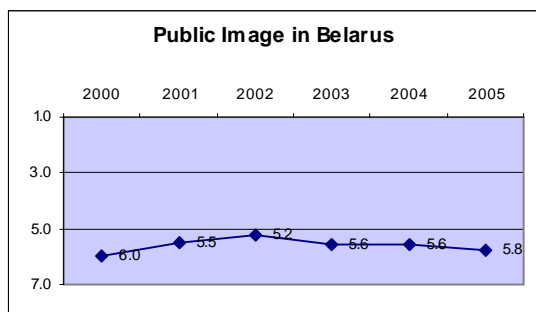
When competing for limited resources, however, NGOs are reluctant to share important information with others. Publications such as “Adukatar” are of better quality than other such publications in neighboring countries, and trainers are often invited to other countries to deliver training. There is, however, a shortage of up-to-date and relevant training materials. Basic-level training resources are available in abundance in the capital and oblast centers. Though more difficult to find, advanced training materials in Russian and Belarusian are also available. Access to high quality consultants and training materials is limited in the smaller regional towns, though

the demand for such services may be insufficient to justify the creation of local training centers.

Formal partnerships between the NGO sector and others have weakened due to the law restricting sponsorship. Businesses are generally afraid to cooperate with NGOs, with the exception of business associations, and even then they refrain from disclosing details of their joint activities. A few inter-sectoral partnerships continue to function and make in-kind contributions to local communities, consistent with the USAID-funded program to support local community initiatives. Other international programs such as the German program to support Belarus also support inter-sectoral partnerships. Cross-sectoral partnerships, however, are underdeveloped and NGOs consider it a success if the government does not interfere with their activities.

PUBLIC IMAGE: 5.8

The Public Image dimension deteriorated over the past year. The state and media have generated a negative and distorted image of the sector. Organizations, especially those working on environmental or social projects, take advantage of every opportunity to present their activities in the local media. Both the Association of Handicapped People and “La Strada,” an organization that works on the issue of human trafficking, produce high quality public service announcements for television.



In general, Belarusian society fails to understand the concept of non-governmental organizations or the benefits they can provide. Many organizations avoid coverage from state media as a matter of self-preservation, and censor themselves when they advertise their activities.

Independent media outlets cover NGO activities, but the stories are generally negative. When approached by NGOs about a potential story, journalists from independent media are still of the opinion that such a story constitutes advertising and try to charge fees. Only a few organizations have managed to produce strong public relations strategies. At times, NGOs hold press conferences and are covered by state or independent print media. Some organizations have developed relationships with journalists and educate them about what they do. NGOs are limited in how they can disseminate information, and as a result, the public has to search for news and information. NGO access to official media outlets is very limited with organizations in small towns generally announcing their activities only through independent newspapers and brochures. In some cities, the independent media has been forced out of operation, and is no longer an option for NGOs. Unlike the public, local and central government officials are often aware of NGO activities and products, which they often approach with suspicion and distrust.

The sector does not yet share an overarching Code of Ethics. Some organizations, most often

youth groups, have informal codes of ethics which guide them in choosing partners. NGOs acknowledge that they often take credit for achievements and products of others, yet the sector does not have an agreement on how to act in such cases. Organizations do attempt to observe the major principles of communication and cooperation.